

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Shimon S. Shmueli et al.

Serial No. 09/802,634

Filed: 03/09/2001

For: **ACCOUNT PORTABILITY FOR COMPUTING**

Examiner: Fadok, Mark A.

Art Unit: 3625

Mail Stop Appeal Brief – Patents

Commissioner for Patents

PO Box 1450

Alexandria, VA 22313-1450

Sir:

The present **REPLY BRIEF** is filed to address issues raised in the Examiner's Answer mailed October 4, 2007. If any fees are required in association with this Reply Brief, the Director is hereby authorized to charge them to Deposit Account 50-1732, and consider this a petition therefor.

REPLY BRIEF

A. Introduction

In the Appeal Brief filed July 18, 2007 (hereinafter “Appeal Brief”), Appellant argued that the Patent Office has not shown where all the elements of the claims are shown with sufficient particularity to sustain an obviousness rejection. In particular, none of the cited references, either alone or in combination, teach or suggest the following elements in combination:

- 1) software within the body of the portable device that is adapted to execute on the host computing device to instruct the host computing device;
- 2) the software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device;
- 3) the software adapted to automatically execute on the host computing device in association with the computing session; and
- 4) the software adapted to execute on the host computing device to instruct the host computing device to remove records pertaining to the computing session from the host computing device upon termination of the computing session.

Moreover, the Patent Office has failed to provide an apparent reason why one of ordinary skill in the art would combine the references in the manner asserted by the Patent Office.

Appellant maintains the arguments set forth in its Appeal Brief, and submits this Reply Brief in order to respond to certain points made in the Examiner’s Answer mailed October 4, 2007.

B. Argument

The portion of the Examiner’s Answer entitled “Section (9) Grounds of Rejection” (see Examiner’s Answer mailed October 4, 2007, pp. 3-15) merely repeats the arguments made by the Patent Office in the Final Office Action mailed March 8, 2007. Appellant addressed these arguments in its Appeal Brief and therefore incorporates its arguments from the Appeal Brief without repeating them here.

Appellant now addresses the points raised by the Patent Office in “Section (10) Response to Argument.” Appellant will use the identifiers set forth in the Examiner’s Answer for ease of reference, despite the fact that Appellant is not sure why those particular identifiers were used, as they do not seem to refer to any headings or identifiers in Appellant’s Appeal Brief.

7A and 7C. The Patent Office responds to Appellant’s argument that the Patent Office has failed to provide the apparent reason to combine the references in the manner asserted by the Patent Office to reach the claimed invention as required by the Supreme Court decision in *KSR* by asserting that all of the elements of the cited references perform the same function when combined as in the prior art and thus such a combination would have yielded predictable results (Examiner’s Answer mailed October 4, 2007, p. 15). As an initial matter, Appellant notes that the Patent Office provides no evidence, analysis, or anything else to support its conclusory statement. The Patent Office does not discuss how each of the elements of the cited references performs the same function when combined as in the prior art. In *KSR*, the Supreme Court held that the key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason why the claimed invention would have been obvious. *KSR Int’l v. Teleflex, Inc.*, 550 U.S. ___, 82 U.S.P.Q.2d (BNA) 1385, 1396 (2007). The Court stated that “[R]ejections on obviousness cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *Ibid.*

Presumably, in Sections 7A and 7C, the Patent Office is referring to language in the *KSR* decision that cites *Sakraida v. AG Pro, Inc.*, which states that “when a patent simply arranges old elements with each performing the same function it had been known to perform and yields no more than one would expect from such an arrangement, the combination is obvious,” 425 U.S. 273, 19 U.S.P.Q. (BNA) 449, reh’g denied, 426 U.S. 955 (1976), and is using this as the rationale for obviousness. However, as argued in the Appeal Brief, this case is not a situation where the claims set forth a combination of old elements; none of the cited references, either alone or in combination, teach or suggest all of the elements in the claimed invention, for the reasons set forth in the Appeal Brief. Moreover, in order to use this rationale, the Patent Office must articulate findings in support of the rationale, such as: 1) a finding that the prior art included each element claimed, although not necessarily in a single reference, with the only difference between the claimed invention and the prior art being the lack of actual combination

of the elements in a single prior art reference; 2) a finding that one of ordinary skill in the art could have combined the elements as known by known methods, and that in combination, each element merely would have performed the same function as it did separately; and 3) a finding that one of ordinary skill in the art would have recognized that the results of the combination were predictable. See Examiner's Guidelines for Determining Obviousness Under 35 U.S.C. § 103 in view of the Supreme Court Decision in *KSR Int'l v. Teleflex, Inc.*, 72 Fed. Reg. 57529 (October 10, 2007).

The Patent Office has not made any such findings in this case. In fact, the Patent Office cannot make a finding that the prior art included each element claimed, although not necessarily in a single reference, with the only difference between the claimed invention and the prior art being the lack of actual combination of the elements in a single prior art reference, because none of the references in this case teach or suggest software within the body of the portable device that executes on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device, and wherein the software is adapted to automatically execute on the host computing device in association with the computing session, and wherein the software is adapted to execute on the host computing device to instruct the host computing device to remove records pertaining to the computing session from the host computing device upon termination of the computing session. Moreover, as mentioned above, the Patent Office has not made a finding with any support that one of ordinary skill in the art could have combined the elements as known by known methods, and that in combination, each element merely would have performed the same function as it did separately. Finally, the Patent Office has not made a finding that one of ordinary skill in the art would have recognized that the results of the combination were predictable. The Patent Office has merely made a conclusory statement and not the articulated reasoning with some rational underpinning required by *KSR*. See *KSR*, 550 U.S. ___, 82 U.S.P.Q.2d (BNA) 1385, 1396. Because these findings have not been made, then this rationale cannot be used to support a conclusion that the claim would have been obvious.

To the extent the Patent Office is also using a teaching, suggestion, or motivation rationale to support its obviousness arguments, the Patent Office must also articulate findings in support of this rationale, such as: (1) a finding that there was some teaching or suggestion or motivation, either in the references or in the knowledge generally available to one of ordinary

skill in the art, to modify the reference or to combine reference teachings; and 2) a finding that there was reasonable expectation of success. See Examiner's Guidelines for Determining Obviousness Under 35 U.S.C. § 103 in view of the Supreme Court Decision in *KSR Int'l v. Teleflex, Inc.*, 72 Fed. Reg. 57534 (October 10, 2007). Here, the Patent Office has made some allegations that there is a teaching, suggestion, or motivation to combine the various references to arrive at the claimed invention. However, the Patent Office has made no findings that there would be a reasonable expectation of success. In addition, in several cases, the Patent Office's allegations are merely conclusory and are not properly supported, as previously argued by Appellant (See Appeal Brief, pp. 18-20 and 25-30; see also Sections 7D3, 7D4, 7E3, and pp. 15-18, *infra*).

For example, with respect to the Patent Office asserting that it would be obvious to combine the allegedly well-known auto-run feature with Pitroda, there is no need for Pitroda to include an auto-run feature. Pitroda does not teach software adapted to execute on the host computing device to instruct the host computing device to perform steps i) through iv), as required by the claimed invention. Pitroda merely discloses a UET card that has information on it. There is no software on the UET card that executes on a host computing device to instruct the host to perform the steps of the claimed invention, so there is no need for Pitroda to have an auto-run feature. In fact, Appellant respectfully submits that adding an auto-run feature to Pitroda would not work since there is no software on the UET card that executes on a host device to instruct the host device to do anything. In addition, trying to add something like an auto-run feature to Pitroda would impermissibly change the principle of operation of Pitroda or render Pitroda unsatisfactory for its intended purpose. MPEP § 2143.01.

As another example, the Patent Office has failed to provide a proper motivation to combine Turgeon with Pitroda, Arnold, and the auto-run feature alleged to be old and well-known in the art. The Patent Office alleges that the stated motivation to combine Turgeon with Pitroda is to "improve the security of sensitive data by not allowing the data to reside on a device that is not secure." (Final Office Action mailed March 8, 2007, p. 4). However, the stated motivation does not compel the combination. The UET card of Pitroda already includes security features to prevent unauthorized use (Pitroda, Abstract). Thus, Pitroda does not need to improve the security of data. Accordingly, the stated motivation does not apply to Pitroda.

In addition, the Patent Office has impermissibly ignored portions of the cited references which teach away from combining the cited references in order to arrive at the claimed inventions, or where one reference might accurately discredit another (see, e.g., Sections 7D2, below). For example, a reference like Pitroda, which discloses storing confidential information on a UET card (which is easily lost or stolen), would not be combined with Arnold, which teaches that it is undesirable to store confidential information in a portable device due to the ease of loss of such devices, or the possibility of theft of the device or information stored therein (see Arnold, col. 7, lines 17-21). See MPEP § 2141.02.

Based on the above examples, as well as the reasons set forth in the Appeal Brief and the instant Reply Brief, Appellant respectfully submits that the Patent Office has merely made conclusory statements and not the specific findings necessary under *KSR* to support obviousness under a teaching, suggestion, or motivation rationale. Accordingly, this rationale cannot be used to support a conclusion that the claim would have been obvious.

7B and 7D. The Patent Office states that one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. Appellant recognizes the case law that supports this statement, but asserts that it is not attacking references individually. In its Appeal Brief, Appellant argued that certain elements were not taught or suggested by any of the cited references, alone or in combination. Moreover, the Patent Office has the burden of showing where each element of the claimed invention is found in the prior art. Where the Patent Office asserts a particular element is found in the prior art, but only cites to a particular reference where that element is allegedly shown, and Appellant argues that the element is not actually taught or suggested by that reference, then Appellant has shown nonobviousness because Appellant has rebutted the Patent Office's sole support for that element.

The Patent Office also refers to an alleged argument by Appellant that the Examiner has combined an excessive number of references. Appellant made no such argument in its Appeal Brief. Appellant does note, however, that there must be an apparent reason to combine each of the references used in the obviousness rejection, so the more references used in the rejection, it follows that the burden to show that there is an apparent reason to add each of the references is heavier.

7D1. The Patent Office agrees that Pitroda does not teach the software of the claimed invention that performs steps i) through iv) of claim 1, but that the specific software instructions

of the claimed invention are taught in the other cited references (Examiner's Answer mailed October 4, 2007, p. 17). The Patent Office then refers to column 10, lines 20-25 of Pitroda, which reads in part that "some of the features of the CIU may be incorporated directly into UET card provided the size of the card can remain small enough to carry it in the pocket." *Ibid.*

Appellant does not understand why the Patent Office cites this section of Pitroda in response to Appellant's argument. The communication interface unit ("CIU") of Pitroda is not part of a host computer either. The CIU is a separate unit that provides an interface between the UET card of Pitroda and the point of sales ("POS") and home or office PC (Pitroda, col. 10, lines 5-19; see also Figure 2). The CIU is provided with a modem or other suitable means (such as a telephone line, see Figure 2) for telecommunicating with remote computers and databases (Pitroda, col. 10, lines 19-22). Thus, even if part of the features offered by the CIU were incorporated into the UET, since the CIU is also not the host device as claimed in the present invention, Pitroda still does not teach or suggest the claimed invention, which requires a portable device having a body, and a memory within the body containing software and financial account information, wherein the software is adapted to execute on the host computing device to instruct the host computing device to: i) recognize financial account fields in a web page during a browsing session; ii) fill in the financial account fields in the web page with the financial account information from the portable device to facilitate a web-based transaction; and iii) automatically execute on the host computing device in association with the computing session; and iv) in association with termination of the computing session, instruct the host computing device to remove records pertaining to the computing session from the host computing device to enhance privacy associated with the computing session. The software on the UET card of Pitroda, even if it contains some features of the CIU, does not execute on the host to instruct the host to perform steps i) through iv) of claim 1. The CIU is connected to the remote computers through a modem or telephony line, and thus no software on the CIU executes on the host to instruct the host to do anything (see Pitroda, col. 13, lines 6-8). The Patent Office cites to col. 13, lines 1-10 and asserts that the CIU of Pitroda contains software that causes the PC/POS to operate as needed (Examiner's Answer mailed October 4, 2007, p. 17). However, the CIU software of Pitroda does not operate on the PC/POS, but merely interfaces with the PC/POS. Thus, the CIU software of Pitroda does not execute on the host computing device and instruct the host computing device to perform steps i) through iv), as claimed in the present invention. Accordingly, these newly cited

portions of Pitroda also do not teach or suggest a portable device having a body, and a memory within the body containing software and financial account information, wherein the software is adapted to execute on the host computing device to instruct the host computing device to perform steps i) through iv) of the claimed invention.

7D2. In this section, the Patent Office states that “Appellant argues that Arnold teaches a Robot that is not present on the portable device and therefore teaches away from instant invention.” (Examiner’s Answer mailed October 4, 2007, p. 17). The Patent Office asserts that Appellant is citing to a portion of Arnold that is not relevant and that the relevant portion of Arnold discloses software that is resident on the portable device that places the information that is retrieved by the robot into the form on the laptop (*Id.* at pp. 17-18). The Patent Office then alleges that Arnold discloses the use of form filling software except for the software being on the UET, but that this would be obvious (*Id.* at p. 18).

Appellant respectfully submits that the Patent Office has ignored what Appellant is actually arguing. Arnold does not teach or suggest software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device for at least three reasons: 1) the software of Arnold is not software that executes **on the host computing device**; 2) the robot program of Arnold does not **instruct the host computing device** to recognize and fill in financial account fields in a web page; and 3) Arnold does not teach or suggest software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information **from the portable device**.

In Arnold, there is a site map database that contains information which maps the fields of a personal information database to frames of a Web page. A robot program at a data center where the databases are located correlates the personal information fields with the frames of the Web page and sends the personal information to a palmtop computer. The palmtop computer uses the information to automatically populate the frames of a Web clipping that represents a Web page (Arnold, col. 1, lines 47-61; see also Figure 6). The Web clipping is not the same as a Web page (*Id.* at col. 6, lines 13-64). The robot program in Arnold that correlates the personal information fields with the frames of the Web page is located in data center 320 (Arnold, Figure

6; see also col. 6, line 65 through col. 7, line 12). Thus, the software of Arnold is not software that executes **on the host computing device**, as required by the claimed invention.

In addition, the robot program of Arnold does not **instruct the host computing device** to recognize and fill in financial account fields in a web page. In Arnold, the robot program in the data center, not the host computing device, populates the fields of the Web clipping (*Id.* at col. 8, lines 26-35). Finally, Arnold does not teach or suggest software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information **from the portable device**. In Arnold, the personal information comes from personal information database 350 in data center 320 (*Id.* at Figure 6; see also col. 7, lines 13-17; and col. 8, lines 30-32). The personal information is stored in the personal information database 350 because it is considered undesirable to store confidential information within the palmtop computer (*Id.* at col. 7, lines 13-21). Thus, Arnold does not disclose filling in the financial account fields with financial account information from a portable device since the personal information in Arnold is stored in a secure database. In fact, if anything, Arnold teaches away from the claimed invention, since it teaches that it is undesirable to store personal information on a portable device. MPEP § 2141.02. Based on the above, it is clear that Arnold does not teach the element for which it is cited.

Appellant was using the portion of Arnold that teaches away from the claimed invention for two reasons. First, it shows that Arnold did not teach software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information **from the portable device**, since the personal information in Arnold comes from a database on a centralized database rather than from a portable device.

Second, when examining the question of obviousness, a prior art reference must be considered in its entirety, including disclosures which teach away from the claims. MPEP § 2141.02, citing *W.L. Gore & Assoc., Inc. v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983), *cert. denied*, 469 U.S. 851 (1984). In addition, “[w]here teachings of two or more prior art references conflict, the examiner must weigh the power of each reference to suggest solutions to one of ordinary skill in the art, considering the degree to which one reference might accurately discredit another.” MPEP § 2143.01, citing *In re Young*, 927 F.2d 588, 18 U.S.P.Q.2d (BNA) 1089 (Fed.

Cir. 1991). A reference like Arnold, which teaches that it is undesirable to store confidential information in a portable device due to the ease of loss of such devices, or the possibility of theft of the device or information stored therein (see Arnold, col. 7, lines 17-21), combined with a reference like Pitroda, which discloses storing confidential information on a UET card (which is easily lost or stolen), would not suggest a portable device of the claimed invention having a body, and a memory within the body containing software and financial account information, wherein the software is adapted to execute on the host computing device to instruct the host computing device to perform steps i) through iv) of the claimed invention, since Arnold teaches that confidential information should not be placed on a portable device that is capable of being lost or stolen. See MPEP § 2141.02.

The Patent Office argued that the robot program of Arnold was not the relevant disclosure, but rather the software resident on the portable device that places the information that is retrieved by the robot into the form on the laptop (Examiner's Answer mailed October 4, 2007, pp. 17-18). Appellant initially notes that the Patent Office did not point to a specific portion of Arnold that allegedly discloses software resident on the portable device that places the information that is retrieved by the robot into the form on the laptop. Appellant finds no teaching in Arnold that the portable device contains software that instructs the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device. Appellant respectfully submits that the Patent Office is confusing where the various software resides in the cited references. Arnold does not disclose any software on the portable device that executes on the host device. The palmtop computer of Arnold may contain software, but there is no explicit disclosure in Arnold as to what this software does, and it certainly does not execute on the host computing device to instruct the host to recognize and fill in financial account fields.

In any event, Arnold does not teach or suggest any software resident on the palmtop computer that is adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device. As discussed above, the software of Arnold is not software that executes on the host computing device, as required by the claimed invention. In addition, Arnold does not teach or suggest software on a portable device that instructs the host computing device to recognize and fill in financial account fields in a web page. Finally,

Arnold does not teach or suggest software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information **from the portable device**. In Arnold, the palmtop computer merely sends a request to the data center for the data center to automatically populate the frames of the Web clipping (Arnold, col. 8, lines 26-29). It is the robot program in the data center, not any software in the palmtop computer or in the host computing device, that retrieves personal information from the database and populates the fields of the Web clipping (*Id.* at col. 8, lines 26-35; see also Figure 6, robot 330).

7D3. In response to the Patent Office's position on whether Pitroda in view of official notice renders obvious the auto execute function of the claimed invention, Appellant believes its arguments in the Appeal Brief adequately address this issue (see Appeal Brief, pp. 18-19). To summarize, Pitroda does not teach software adapted to execute on the host computing device to instruct the host computing device to perform steps i) through iv), as required by the claimed invention. Pitroda merely discloses a UET card that has information on it. There is no software on the UET card that executes on a host computing device to instruct the host to perform the steps of the claimed invention. Thus, there is no need for Pitroda to include an auto-run feature. In fact, Appellant respectfully submits that adding an auto-run feature to Pitroda would not work since there is no software on the UET card that could execute on a host device to instruct the host device to do anything. In addition, trying to add something like an auto-run feature to Pitroda would impermissibly change the principle of operation of Pitroda or render Pitroda unsatisfactory for its intended purpose. MPEP § 2143.01. For the above reasons, it would not be obvious to modify Pitroda to add an auto-run feature.

7D4. In response to the issue of whether the combination of references teach "the software adapted to execute on the host computing device to instruct the host computing device to remove records pertaining to the computing session from the host computing device upon termination of the computing session," Appellant believes its arguments in the Appeal Brief adequately address this issue (see Appeal Brief, pp. 19-21). The Patent Office's position in 7D4 of the Examiner's Answer is the same as it was in the Final Office Action mailed March 8, 2007, and adds no new argument or support. Thus, Appellant relies on the arguments made in the Appeal Brief on this issue.

In summary, the flushing of the memory in Turgeon is not equivalent to the removal of records pertaining to the computing session from the host computing device to enhance privacy associated with the computing session. In Turgeon, the memory in the PC is flushed because the active Web module which used the data, has expired on the PC due to the e-commerce debit card being removed from the CD-ROM drive (Turgeon, paragraph 0052), not in order to enhance privacy associated with the computing session. Moreover, Turgeon does not disclose that it is the **software provided by the portable device** that instructs the host computing device to remove records pertaining to the computing device, as required by the claimed invention. In Turgeon, there is no mention of what instructs the memory in the PC to be flushed. Certainly, there is no teaching or suggestion that it is software on the portable device that instructs the PC to flush the memory. Finally, the flushing of the memory in Turgeon is not done “in association with termination of the computing session.” Instead, in Turgeon, after the flushing of the memory is done, the Web host server continues the transaction (Turgeon, paragraph 0053; see also Figures 5b-5d, steps 522-570). In the Final Office Action, the Patent Office points to item 514 of Turgeon, which the Patent Office alleges ends the interactive session with the portable device and initiates the request for an e-pin and transfer to the web server (Final Office Action mailed March 8, 2007, p. 16). This further proves Appellant’s position. Item 514 is only a determination of whether the e-commerce debit card was removed from the CD-ROM drive. The session continues through steps 522-570 of Figures 5b-5d. Thus, Turgeon does not teach software adapted to, “in association with termination of the computing session, instruct the host computing device to remove records pertaining to the computing session from the host computing device to enhance privacy associated with the computing session.” Therefore, claim 1 is patentable for this additional reason.

Moreover, Appellant respectfully submits that the Patent Office has failed to provide a proper motivation to combine Turgeon with Pitroda, Arnold, and the auto-run feature alleged to be old and well-known in the art. The Patent Office alleges that the stated motivation to combine Turgeon with Pitroda is to “improve the security of sensitive data by not allowing the data to reside on a device that is not secure.” (Final Office Action mailed March 8, 2007, p. 4). The stated motivation does not compel the combination. First, the UET card of Pitroda already includes security features to prevent unauthorized use (Pitroda, Abstract). Thus, Pitroda does not need to improve the security of data. Accordingly, the stated motivation does not apply to

Pitroda. Since the stated motivation is inapplicable to Pitroda, the motivation is improper. Since the motivation is improper, the combination is improper, and the rejection should be withdrawn for this additional reason.

7E1. To clarify Appellant's argument with respect to Davis and the provisional application, Appellant mentioned the interview between Appellant's representative, Rick Witcher, and Examiner Mark Fadok on September 26, 2006, in which the Davis reference was proffered as an anticipatory reference, merely to show that the Examiner had initially argued that Davis anticipated the claimed invention, and that Appellant questioned whether Davis had support for the allegedly anticipating disclosure in the provisional application and whether Davis taught each and every element of the claimed invention, particularly software on the portable device that is adapted to automatically execute on the host computing device in association with the computing session to instruct the host computing devices to perform steps i) through iv) of claim 1. The Examiner, after the interview, then issued an office action rejecting the claims based on Davis in view of Arnold, Turgeon, and Official Notice. Appellant also wanted to bring to the Board's attention the changing position of the Patent Office in this case, in light of the Appellant's pointing out the deficiencies of the cited references.

Appellant continues to argue that Davis does not teach or suggest the elements that the Patent Office alleges it does, for the reasons set forth on pp. 22-23 of the Appeal Brief. Davis does not teach or suggest software on a portable device that is adapted to execute on the host computing device to instruct the host computing device to carry out the steps i) through iv) of claim 1. The Patent Office refers to Figure 1 and page 5, lines 14-15 of the Davis provisional application as teaching that the smart card of Davis executes applications on the host device (Examiner's Answer mailed October 4, 2007, pp. 21-22). However, the mere mention of a server function does not equate to the claimed feature of software on a portable device that is adapted to execute on the host computing device to instruct the host computing device to carry out the claimed steps. Davis does disclose a smart card device 410 that is configured with the functionality of a server to provide for operation and control of multiple applications (Davis, paragraph 0036). The smart card device can be configured through an interface with the access device 430. As a result, the smart card device can organize, manage, and store information locally in a portable device. However, there is no indication in Davis that the applications on the smart card device are adapted to execute on the host computing device to instruct the host

computing device, as required by the claimed invention. The applications on the smart card act locally and do not execute on the host to instruct the host to perform the steps of the claimed invention. The mere mention of a server function does not cure the deficiencies of Davis in this regard.

The Patent Office also asserts that paragraph 0043 of Davis teaches processing applications from the smart card on a client device (Examiner's Answer mailed October 4, 2007, p. 7). Appellant respectfully disagrees. Paragraph 0043 of Davis discloses that the smart card device may provide user data to data management component 450 of the access device 430. User data is not software. The smart card device of Davis merely provides data to the access device; it does not contain software adapted to execute on the host computing device to instruct the host computing device. Similarly, in paragraph 0059, Davis discloses that a user financial application 604 on the smart card device can be used to import financial information to another web site or vendor. However, there is no teaching or suggestion that the user financial application 604 is executed on the access device to instruct the access device to import the financial device. Accordingly, Davis fails to teach or suggest software on a portable device that is adapted to execute on the host computing device to instruct the host computing device to perform the claimed steps, as claimed in the present invention. Thus, Davis does not even teach the element for which it is cited. Therefore, the combination fails to teach or suggest each and every element of the claimed invention, and the claims are allowable.

7E2. The arguments in Section 7E2 of the Examiner's Answer are basically identical to Section 7D2. Therefore, Appellant refers to its reply in Section 7D2 above, as well as its arguments on this issue in the Appeal Brief (see Appeal Brief, pp. 24-25). Appellant does briefly address the citation of DiGiorgio (Examiner's Answer mailed October 4, 2007, pp. 22-23). The Patent Office apparently introduces DiGiorgio as alleged motivation that auto-run capability is an efficient way of starting a program. *Ibid.* However, the cited portion of DiGiorgio relates to a secure token device which securely holds identification information such that it is difficult for a party to physically address the identification information, where the use of the secure token requires both physical possession of the token as well as a PIN password associated with a user of the secure token device (DiGiorgio, col. 2, lines 24-34). Since the secure token of DiGiorgio requires a PIN, it seems as though it does not disclose or suggest software on a portable device automatically executing on a host device in association with a computing session, as required by

the present invention. In addition, the secure token in DiGiorgio merely is used to gain access to services provided by an Internet Service Provider (DiGiorgio, Abstract; and col. 1, lines 7-9). The reading of the secure token does not cause software on the secure token to automatically execute on a host computing device, as claimed by the present invention. Thus, DiGiorgio does not provide motivation for providing auto-run capability as asserted by the Patent Office.

7E3. The arguments in Section 7E3 of the Examiner's Answer are basically identical to Section 7D3. Therefore, Appellant refers to its reply in Section 7D3 above, as well as its arguments on this issue in the Appeal Brief (see Appeal Brief, pp. 25-26).

7F. With respect to the issue of whether claims 4, 5, 16, 17, 24, and 25 are unpatentable over Pitroda in view of Turgeon and Inala, and further in view of Official Notice, Appellant has reviewed the arguments by the Patent Office in Section 7F of the Examiner's Answer and does not see anything new as compared to the position set forth in the Final Office Action of March 8, 2007. Therefore, Appellant believes it adequately addressed these arguments in its Appeal Brief and therefore incorporates its arguments from the Appeal Brief without repeating them here (see Appeal Brief filed July 18, 2007, pp. 28-30).

On page 27 of the Examiner's Answer, the Patent Office states that "appellant places heavy weight on software executing on the host computing device and argues that Davis and Pitroda do not teach this feature. The examiner notes that it is well established and known to an artizen (sic) in the art that when an application is operated on a secondary device such as when a smart card executes on a PC, the PC must execute at least a portion of the application instructions in order to have the PC function." (Examiner's Answer mailed October 4, 2007, p. 27).

Appellant respectfully submits that the Patent Office has overgeneralized Appellant's argument. Appellant has argued that the references or record, alone or in combination, do not teach or suggest a portable device having a body, and a memory within the body containing software and financial account information, wherein the software is adapted to automatically execute on the host computing device in association with the computing session to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device, and to instruct the host computing device to remove records pertaining to the computing session from the host computing device upon termination of the computing session. Appellant does argue that one important feature that is not

taught by the cited references is that the software from the portable device automatically executes on the host computing device in association with the computing session to instruct the host computing device to perform the claimed steps. Thus, the claimed invention recites that the software on the portable device both executes on the host automatically and that the software on the portable device instructs the host to perform specific steps. The cited references do not teach or suggest at least this feature.

The Patent Office states that “it is well established and known to an artizen (sic) in the art that when an application is operated on a secondary device such as when a smart card executes on a PC, the PC must execute at least a portion of the application instructions in order to have the PC function.” Appellant initially notes that this seems to indicate that the Patent Office is admitting that Davis, Pitroda, and the other cited references do not teach or suggest that the software from the portable device automatically executes on the host computing device in association with the computing session to instruct the host computing device to perform the claimed steps. In addition, Appellant notes that the Patent Office offers no evidence or support that the claimed feature is well-known. If it is well-known, certainly the Patent Office could have cited to a specific reference that shows this feature, especially given that Appellant has maintained this position throughout the prosecution¹, and the Patent Office has had multiple chances in office actions and interviews with Appellant’s representative to find the most relevant art prior to the filing of the Appeal Brief. Given that the Patent Office has not cited any specific reference to this point that discloses the feature, Appellant respectfully submits that the Patent Office has not made a *prima facie* case that the feature is well-known.

Moreover, it is unclear whether what is asserted to be well-known by the Patent Office is equivalent to what is claimed in the present invention. The Patent Office asserts that it is well known that “when an application is operated on a secondary device such as when a smart card executes on a PC, the PC must execute at least a portion of the application instructions in order to have the PC function.” (Examiner’s Answer mailed October 24, 2007, p. 27). Appellant first submits that the Patent Office has not shown what is meant by what takes place when a smart card “executes on a PC.” Appellant does not agree that even when a smart card interacts with a

¹ The Appellant has maintained the position that the cited references do not teach or suggest that the software from the portable device automatically executes on the host computing device in association with the computing session to instruct the host computing device to perform the claimed steps at least since the decision in the first appeal in this case reversed the examiner’s previous rejections (see e.g., Response filed August 17, 2006, pp. 3-6).

PC that it “executes on” the PC and does not agree that the PC “must execute” at least a portion of the instructions in order to function. For example, it may be that no software from the smart card is in fact executed on the PC. Second, Appellant disagrees that the PC must execute a portion of the application instructions in order to have the PC function. The PC may function with or without any instructions from the smart card. As an example, in Davis, there is no indication that the applications on the smart card device are adapted to execute **on the host computing device to instruct the host computing device** to perform certain steps, as required by the claimed invention. The applications on the smart card in Davis act locally and do not execute on the host to instruct the host to perform the steps of the claimed invention. Often, a smart card merely provides data to the host device or imports data to another device, and does not provide software adapted to execute on the host computing device to instruct the host computing device (See Davis, paragraphs 0043 and 0059).

Finally, even if the PC must execute a portion of the application instructions in order to have the PC function, a point Appellant does not concede, it does not mean that the instructions execute on the PC **to instruct** the host computing device to perform certain steps, and in particular, the steps claimed by the present invention.

Thus, the Patent Office’s attempt to assert that the claimed feature is well known is impermissibly late, misstates Appellant’s position, is unsupported by any evidence or the prior art, and is directed to features that are different than what is actually claimed. Thus, the argument that the feature admittedly missing from Davis and Pitroda is well-known is inaccurate and improper, and should be disregarded.

C. Conclusion

For the reasons set forth in and its Appeal Brief, and for the above rebuttals of the Examiner’s Answer, Appellant respectfully requests that the Board reverse the Examiner and instruct the Examiner to allow the claims. The Patent Office has not shown where all the elements of the claims are shown with sufficient particularity to sustain an obviousness rejection. None of the cited references, either alone or in combination, teach or suggest the following elements in combination:

- 1) software within the body of the portable device that is adapted to execute on the host computing device to instruct the host computing device;
- 2) the software adapted to execute on the host computing device to instruct the host computing device to recognize and fill in financial account fields in a web page with financial account information from the portable device;
- 3) the software adapted to automatically execute on the host computing device in association with the computing session; and
- 4) the software adapted to execute on the host computing device to instruct the host computing device to remove records pertaining to the computing session from the host computing device upon termination of the computing session.

Since the Patent Office has not made a *prima facie* case of showing where each and every element of the claimed invention is taught or suggested by the references, the claimed invention is patentable.

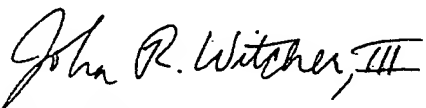
Moreover, the Patent Office has failed to provide an apparent reason why one of ordinary skill in the art would combine the references in the manner asserted by the Patent Office.

For the foregoing reasons, Appellant requests that the Board reverse the Examiner and instruct the Examiner to allow the claims for these reasons.

Respectfully submitted,

WITHROW & TERRANOVA, P.L.L.C.

By:


John R. Witcher, III
Registration No. 39,877
100 Regency Forest Drive, Suite 160
Cary, NC 27518
Telephone: (919) 238-2300

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